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Borough of Stanhope launches process to cut residents' energy costs

***Borough joins regional group to seek lowest bids from dozens of energy suppliers;
Public meetings scheduled for Oct. 23rd and 27th.***

Stanhope, N.J. --- Oct. 10, 2014 --- Stanhope officials are working with a regional program to reduce electric bills for borough residents.

The borough has joined a cooperative led by Passaic County to pursue [Government Energy Aggregation](#) (GEA), a state-supported process. Passaic has operated a similar cost-saving cooperative for municipal energy needs for four years.

"GEA adds significant value to the existing cooperative for municipal facilities' gas and electric aggregation," said Passaic County Freeholder Bruce James. "We're glad to pass this additional savings opportunity on to area residents."

Under the GEA program, the county will aggregate the energy needs of eligible residents in Stanhope and other participating towns, then seek bids on this pool from more than 30 state-licensed energy suppliers. The suppliers bid their lowest rates in exchange for this potentially large volume of business.

There is no cost to the borough or residents for these services, and Stanhope is not obligated to accept any bids. Residents may also opt out of the cost-saving program at any time. Stanhope is joining about 12 other municipalities in the co-op – called the Passaic County Energy Cooperative Pricing System – to maximize savings to residents.

"We're extremely pleased to join this innovative program, which will bring significant savings to our residents," said Mayor Rosemarie Maio. "There really is no downside, because the new electric rates are guaranteed to never be higher than the JCP&L rate."

Borough officials aim to save residents an amount equal to about one to two months of energy costs per year, according to the mayor. In other words, if your energy bill is currently \$250 a month, you could save about \$250 - \$400 a year through the program.

"With GEA, consumers are able to get a bulk rate for their electricity, so that price is naturally lower than the standard household rate," noted Maio.

GEA, created by the N.J. Board of Public Utilities and the Rate Counsel (formerly known as the Ratepayer Advocate), is designed to help people take advantage of energy deregulation and cut energy costs. "Aggregation" refers to customers who form a group to purchase energy.

State government already sets residential utility rates, noted Freeholder James. "GEA offers a way to compete against the government rate," he explained.

With GEA, the utility that *serves* a residence will not change. In Stanhope, for instance, JCP&L would continue to handle customer accounts, respond to outages and maintain services. The only changes would be the energy *supplier* (the company that *makes* the energy for your home), the lower energy costs, and the supplier information on your utility bill.

The county expects to run a live, online energy auction on residents' behalf in early December or later, depending on market conditions. This highly efficient, web-based process enables state-licensed energy suppliers to provide bids on the same day, at the same time, providing for a true apples-to-apples comparison based on the energy market.

Stanhope officials will then have the option to accept or reject the bids. If the borough accepts a bid, the new rate would go into effect about 90 days after the auction. If the borough rejects all bids, no changes will occur.

If a bid is accepted, residents will have 30 days to opt out of the program before it starts. You can also opt-out anytime thereafter, without fees or penalties. All residents who have not already switched to a different (third-party) energy supplier will be automatically included.

Under the terms of the planned auction, rates are fixed for up to 24 months, with no early cancellation fees, penalties or fine print for customers. At the end of this period, another auction could be held. Residents would again have the option to stay with the program or opt-out, based on the new rates.

Outreach Events Planned

The borough will hold two public meetings to help educate residents about the program and answer their questions. The meetings are scheduled for **Thursday, October 23, at 2:30 pm** and **Monday, October 27, at 7 pm** at:

American Legion Hall
119 Route 183
Stanhope, NJ 07874

For more information, please visit njaggregation.us or call (855) 200-2648 toll-free, Monday through Friday between 9 am and 5 pm. Watch for updates at the borough website: www.stanhopenj.gov.

Residents who wish to opt-out of the rate-lowering program will have the opportunity to do so and will receive a notice explaining how to opt out. Additionally, residents can visit njaggregation.us